

Minutes of the Schools Forum

**16 December 2019 at 2.30pm
at Sandwell Council House, Oldbury**

**Members Present: D Irish (Chair);
N Toplass (Vice Chair);
M Arnull, J Bailey, D Barton, A Burns, L
Howard, L Gillam, G Linford, B Patel, S
Ramsay, P Shone, J Smallman, and C
Walsh.**

**Officers Present: C Ward, J Gill, R Kerr, A Timmins and M
Tallents.**

Observer: R Fisher.

55/19 Agenda Item 1 - Apologies

None

56/19 Agenda Item 2 - Declaration of Interest

Agenda Item 9 High Needs Block Grant – Neil Toplass.

**57/19 Agenda Item 3 - To confirm the minutes of the meeting held
on 11 November 2019**

Resolved that the minutes for the forum held on the 11
November 2019 be confirmed as a correct record.

58/19 Agenda Item 4 - Schools Financial Value Standard

Schools Forum received an update in respect to the Schools
Financial Value Standard,

The schools financial value standard aimed to assure governing
bodies that the school was meeting a good level of financial
health and resource management.

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The tool would be used to identify any possible areas for change to ensure resources were being used to support high quality teaching and the best educational outcomes for pupils.

The tool was in two parts and comprised of a checklist and a dashboard.

The checklist asked a number of questions of governing bodies in six areas of resource management to provide assurance that the school was managing its resources effectively.

The dashboard provided ratings against a school's data and indicated how its spend and characteristics compare with similar schools or nationally recognised bandings and recommendations.

Academies had a similar version available to them to use.

It was clarified that the governing body should be receiving budget information 6 times during a year. It was acknowledged that some schools already undertook this.

Resolved that Schools Forum noted the content of the report.

59/19

Agenda Item 5 - Designated Schools Grant Deficits Consultation

Schools Forum was informed of the Designated Schools Grant deficit consultation proposals.

The consultation was undertaken between 11 October and 15 November 2019. Initially it was advised that the results of the consultation and the Department's response would be published in Winter 2019, however it was likely to be delayed due to the General Election.

The Department consulted on changing the conditions of grant and regulations applying to the Dedicated Schools Grant.

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The Dedicated Schools Grant was a ring-fenced specific grant separate from the general funding of local authorities, and any deficit an authority may have on its Dedicated Schools Grant account was expected to be carried forward and did not require to be covered by the authority's general reserves.

The Government's intention was that Designated Schools Grant deficits should not be covered from general funds but that over time deficits should be recovered from Designated Schools Grant income. No timescale had been set for the length of this process.

The Department for Education proposal was to change the conditions of the grant with effect from the end of the financial year 2019/20. This was therefore expected to inform and affect budget setting processes for 2020/21 as well as the presentation of reserves in the annual accounts for 2019/20.

Subject to the outcome of the consultation they proposed the following:

- that the local authority must carry forward the whole of the overspend to the schools budget in future years;
- the local authority may not fund any part of the overspend from its general resources, unless it applied for and received permission from the Secretary of State to do so.

Resolved that Schools Forum noted the content of the report.

60/19

Agenda Item 6 - Risk Protection Arrangement Consultation – extension to maintained schools

Schools Forum was advised in respect of the consultation and the Department of Education proposals for the extension of the Risk Protection Arrangements to local authority maintained schools.

The Department for Education was considering extending the risk protection arrangement presently operational for Academy Trusts to the local authority maintained school sector, in order to benefit from financial savings that Academy Trusts had achieved.

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The consultation was undertaken between 9 September and 4 November 2019.

The Department for Education had originally planned to publish the responses in the first week of December. Due to purdah, the response was now expected January 2020, however it was specified that stakeholders would be updated on progress.

Officers advised that the insurance department of the council had responded to the consultation with the following points:-

-Under a conventional insurance contract, as long as the policy conditions are met, the insured is entitled to indemnity and the insurer will pay claims. The scheme, like a discretionary mutual, is not contractually obliged to pay out on claims.

-The scheme does not cover risks including engineering, motor, work in progress. As such, schools will still require local authority support and resource to provide a service covering these risks in isolation.

-As part of the local authority insurance arrangements, reinstatement work relating to property and motor damage claims are dealt with by in-house teams. It is unclear if and how these arrangements will continue under the scheme.

Head Teachers asked about how the Risk Protection compared against current protections put in place by the council. They felt a legal view would be required before taking part in the scheme.

Resolved that Schools Forum noted the content of the report

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Agenda Item 7 - Pupil Number Growth Monitoring report 2019/20

Schools Forum was updated on the expenditure incurred up to November 2019 from the Pupil Number Growth Fund.

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The budget for 2019/20 was set at £2.269m and the authority had received a positive recoupment adjustment of £0.538m, therefore total funding available was £2.807m. Expenditure to date was £2.009m and leaving a current underspend of £0.798m.

The reasons for such a significant underspend at this stage was an increase in the recoupment adjustment and the grant received by the authority in relation to the West Bromwich Collegiate Academy to support the revenue costs associated with the opening of the new presumption school.

The Pupil Number Growth - Additional Needs Fund carried forward a balance of £393.620 from 2018/19 with no spend to date in 2019/20.

Resolved that Schools Forum noted the content of the report.

62/19 **Agenda Item 9 - High Needs Block Budget Monitoring Report 2019/20**

Schools Forum received the High Needs Block budget monitoring report for 2019/20

The High Needs Block Current Grant for 2019/20 is £40.883m. The last figure reported in September 2019 was £40.698m. There has been an in year adjustment of an additional grant of £0.185m.

A table showing the updated budget allocation following the notification of the in-year grant adjustment, the anticipated outturn as at 31 March 2020 and the variance from the budget was in the report.

The anticipated in year deficit as at 30 November 2019 projected to 31 March 2020 was £1.549m

The balance brought forward as at 1 April 2019 was £90k surplus.

The final deficit would be carried forward and funded from the additional High Needs Block grant announced recently. The request to expand in borough provision had been included in a

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separate report. The request for the expansion of provision was already having an impact on the current year spending.

The main variances were outlined as follows:-

- Out of Borough Placements £485K overspend - There had been an increase in the number of pupils placed out of the borough into independent settings and other local authority maintained and academy schools following finalising the stage transfer process.
- Pupil top up and place funding £668K overspend – Maintained and Academy mainstream provision, Focus Provisions and Special Schools combined, show an overspend following new in year admissions, new assessments and an increase in the number of pupils staying on into post 16 placements in mainstream and special schools.
- Post 16 Further Educational Establishments overspend £237K – There has been an increase in the number of pupils going into colleges and specialist providers. Over 100 requests were not received until the end of November 2019 and we are still in the process of checking through the requests. Any adjustments will be reported in due course.
- Alternative Provision £692K overspend – the anticipated overspend was for pupils missing education, International new arrivals and hard to place pupils. The budget was increased to £1.4M in 2019/20 following a projection of the anticipated spend at the beginning of Spring Term 2019. However, it was found that the £1.4m was insufficient following the reconciliation of end of year payments as at 31 March 2019, which highlighted additional pupils whose details were not known at the time of the budget preparation. The last projection reported in September 2019 was £844K. This had been revised and reduced. There have been 3 Alternative Provision Panel's held since 1 September 2019 and the number of pupils allocated alternative provision places had been strictly controlled. International new arrivals in NCY 11 were still being considered for placement in an AP setting, and the

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estimated cost of these placements had been included in the prediction above.

- SEN Developments £461K underspend – This budget head currently funds staff salaries nearing the end of their contracts agreed by JEG in 2014/15, independent appeals and reports, and funding agreed that does not clearly fit onto any other budget head. It also holds an initial balancing figure of £193k which is difference between the calculated budgets as at 1 April 2019 and the HNB Grant initial settlement 2019/20 and the additional in year grant of £185K. This is used to offset any pressures in other areas within the HNB.
- Other small variances from budget equated to an underspend of £72K – This was mainly staffing changes.

In respect of Focus Provision and Special school place funding the Focus Provisions average under occupancy as at December 2019 was 14%. There are 28 vacant places and 16 places currently reserved across all the provisions.

The occupancy across all four special schools was running over capacity and an additional 18 places would be funded in year to cover the increase in occupancy across the financial year and were included in the figures.

Primrose was full, Sandwell Community School had 21 vacancies and Albright was 5 over.

A report in respect to deficit would be brought back to the next schools forum.

N Toplass queried Alternative Provision and was not clear about the money spent and the operation of the panel.

It was explained that the Alternative Provision panel was currently officer led as processes were being developed and this would shortly be extended to be a multi-agency group. This would then provide a single route into Alternative Provision with funding agreed through the panel.

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Agenda Item 8 - High Needs Block Grant Provision

Schools Forum received details of the High Needs Budget Grant for the period 1 April 2020 to 31 March 2021 and outlined proposals for the use of the increase in the High Needs Budget Grant to maintain current levels of support and request increases in the support service delivery to all schools.

The 2019/20 High Needs Block Grant settlement was £40.9m following in year adjustments. The 2020/21 High Needs Block Grant indicative settlement was £48.0m following deductions.

The increase in High Needs Block Grant announced by the Government in October 2019 for the period 1 April 2020 – 31 March 2021 equated to £7.1m

The proposals in respect of Service Delivery and School Support were as follows:

- increase the capacity of the Educational Child Psychology Team;
- increase the capacity of the Complex Communication Team;
- increase the capacity of the Special Advisory Teaching and Learning Team;
- increase the capacity of the Early Years Team;
- retain the temporary staff in the SEN Casework Team;
- increase the capacity and fund the Preventing Primary Exclusions Team and the Social Emotional and Mental Health Team from the High Needs Block, removing the requirement to consult with schools as part of the hold back exercise and the requirement for future Service Level Agreements to maintain the service;
- increase the capacity of the Administration functions to support the additional staffing;
- increase the capacity of the independent Travel Training Team;
- joint commissioning of Occupational Therapy with the Clinical Commissioning Group to support the sensory impact assessments;
- retain the support for Autism West Midlands, Sandwell Parents with Disabled Children and the Special Educational Needs and Disability Information and Advice Support Services.

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Additional Proposals by schools during presentations included:

- increased capacity in the Fair Access and Exclusions Team;
- establish a Preventing Secondary Exclusions Team.

Proposal to increase 'top up funding' for pupils with EHCPs were:

- increase top up funding by 7% for pupils in mainstream schools;
- increase top up funding by 2% for pupils in special schools.

In addition, funding needs to be made available for the extension of Special Educational Needs provision within the borough included the following:

- Agreed Expansion of Shenstone Lodge.
- Temporary increase in Focus Provisions places pending new Free School.
- New Social, Emotional Mental Health Focus Provision.
- Increase in Provision at Albright.
- New Primary Moderate Learning Disability Focus Provision.
- Increase in Provision at the Orchard School.
- Expansion of Westminster Post 16.

Two new free schools were being built in the borough. Highpoint Specialist Secondary Academy was due to open in 2021 with 90 places and the Free Special Primary School was due to open in 2022 with 126 places. There would be a phased intake with full occupancy estimated by 2024 and 2028 respectively.

Schools Forum was informed that funding for the new schools is ringfenced and any surplus would be a carry forward.

In respect to the new positions schools would be involved in interviews, short term contract can affect the quality of applicants. The Local Authority would work with schools around appointment including the impact and evaluation of success.

Concerns around post 16 provision in respect to overspend in college and disappointed not to be included for additional staffing. It was said that post 16 provision was also supplied by Westminster school. Places in college are commissioned on a year on year basis.

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The presentations received favourable responses, therefore it was requested that Schools Forum approve the recommendations and use of the increased funds available to expand service delivery to schools and increases in specialist provisions.

Resolved that Schools Forum agree the utilisation of the increase in grant as recommended with effect from 1st April 2019.

64/19

Agenda Item 10 - Schools Revenue Budget 2020/21 consultation responses

Schools Forum was requested to make a recommendation on the following consultation proposals:-

- schools with significant surplus balances proposal;
- which de-delegated proposals be approved for 2020/21;
- which Education Function proposals be approved for 2020/21;
- which Central Schools Services Block proposals be approved for 2020/21.

At the Schools Forum on 11 November 2019 the School Budget Consultation was approved subject to amendments. The consultation was issued to schools on 12 November 2019 with a deadline for responses by noon on 4 December 2019.

Consultation with the following stakeholder had also been held between 14 November and 25 November 2019:-

- Association Sandwell Governing Bodies;
- Joint Executive Group;
- Secondary Partnership;
- Primary Partnership;
- Joint Union Panel.

A total of 69 responses had been received with 55 from maintained schools, 10 from academies and 4 from unions.

The views of all stakeholders would be taken into consideration in relation to the consultation on the schools funding formula for

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2020/21. The authority would consider the recommendations of Schools Forum, but ultimately it was a local authority decision.

Comments from Schools Forum members in respect of the consultation were as follows:-

- A significant number of schools on the consultation had voted against the 'schools with significant surplus balances' proposal. It was queried if the schools who were against the proposal had carried forward a large surplus balance. Officers advised that they did not have a breakdown of the schools that voted against this proposal to hand but given the numbers involved it was likely that most schools with high balances had.
- Schools felt that this proposal effectively changed in rules in year and could have a detrimental effect on school 3 year financial planning as many schools were projecting deficit by year 3.
- Schools questioned how the options would be presented next year for ratio change. It was noted that the first option would be to follow the planned 0.02 ratio increase if that option was agreed this year. Other options would be decided upon by School Forum prior to consultation next year.

A vote was held on each of the proposals and the outcomes were as follows:-

1. The preferred option to use for calculating the school funding formula for 2020/21 - Option 1.
11 in favour, 0 Against 0 Abstention.
2. Schools with significant surplus balances.
3 in favour, 0 Against 0 Abstention.
3. De delegated budget proposals

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Health and Safety Licence

Primary

5 in Favour, 0 Against, 1 Abstention.

Secondary

1 in Favour, 0 Against, 0 Abstention

Evolve Annual Licence

Primary

6 in Favour, 0 Against, 0 Abstention

Secondary

1 in Favour, 0 Against, 0 Abstention

Union Facilities Time

Primary

6 in Favour, 0 Against, 0 Abstention.

Secondary

0 in Favour, 1 Against, 0 Abstention.

School Improvement Service

Primary

6 in Favour, 0 Against, 0 Abstention.

Secondary

1 in Favour, 0 Against, 0 Abstention.

Schools in financial difficulty

Primary

6 in Favour, 0 Against, 0 Abstention.

Secondary

1 in Favour, 0 Against, 0 Abstention.

4. The Education Functions budget proposals

7 in Favour, 0 Against, 0 Abstention.

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5. The Central Schools Services Block proposals

11 in Favour, 0 Against, 0 Abstention.

Resolved that the recommendations be reported to the meeting of the Cabinet on 22 January 2020.

65/19 **Any Other Business**

Up to date membership and constitution of the Schools Forum would be distributed to members.

(Meeting ended at 4.00 pm)

Contact Officer: Shane Parkes Democratic Services Unit 0121 569 3190
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